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Member Agencies

Blackstone Valley Advocacy Center

Domestic Violence Resource Center of South County

Elizabeth Buffum Chace Center

Women's Resource Center

Task Force

Sisters Overcoming Abusive Relationships

Affiliate Members

Center for Southeast Asians Crossroads Rhode Island

Family Service of Rhode Island

McAuley Ministries –
McAuley Village
Progreso Latino
YWCA Rhode Island

To: Representative Marvin Abney, Chair of the House Finance Committee

Honorable Members of the House Finance Committee

From: Tonya Harris, Executive Director

RI Coalition Against Domestic Violence

Date: April 13, 2021

Re: Support for Budget Article 16 – Section 6, H 5687 and H 5456

The Rhode Island Coalition Against Domestic Violence, our network of member agencies and SOAR, our taskforce of survivors, are writing today in strong support of Budget Article 16 – Section 6, H 5687 and 5456. These proposals respectively create a dedicated funding stream to increase the supply of safe and healthy homes; applies an additional real estate conveyance tax on the value of residential properties above \$700,000 (or \$500,000 as addressed in H 5687) and would result in an additional \$2.6 million in revenue in FY22 and \$5.7 million annually. This estimated revenue stream will be allocated by RIHousing through a program developed by the Housing Resources Commission to increase construction and redevelopment of affordable homes. In 2020, the RICADV and its network of member agencies provided vital services for over 9,200 individual victims of domestic abuse. Of these clients, 333 individuals and their children stayed in our emergency shelters. Furthermore, the Victims of Crime Helpline combined with the agency hotlines received over 17,000 calls last year, many of which were related to housing. Safe housing options are vital to the survivors we serve.

Loss of financial stability and housing is a prominent reason that victims are unable to leave an abusive relationship. The societal costs associated with intimate partner violence are substantial. According to the CDC, the lifetime per-victim cost is \$103,767 for women and \$23,414 for men. The lifetime economic cost to the U.S. population is \$3.6 trillion. This economic cost estimate includes almost 32 million women and 12 million men who are victims of intimate partner violence during their lives. Poverty and income inequality are root causes of domestic violence. No victim of domestic violence should remain at risk because of a lack of safe, affordable and fair housing opportunities. The RICADV is a proud member of Homes RI, a coalition of organizations working together to increase and preserve the supply of safe, healthy and affordable homes throughout Rhode Island.

Housing costs have risen while inflation-adjusted wages of working Rhode Islanders have remained mostly stagnant. When wages to do not grow over time, it becomes difficult for people to get ahead and has rippling economic effects. More than one-third (35%) of all Rhode Island households are cost burdened, meaning that more than 30% of their income is spent on rent or a mortgage and utilities. According to data from HousingWorks RI, the collective annual cost of Rhode Islanders overspending on housing is nearly three-quarters of a billion dollars.

¹ Intimate partner violence: Consequences. U.S. Centers for Disease Control and Prevention. (2018), Retrieved from http://www.cdc.gov/ViolencePrevention/intimatepartnerviolence/consequences.html

To provide additional context, the 2018 average rent and utility costs for a two-bedroom apartment was \$1,621. The annual income needed to afford this is \$64,840. This amount is above Rhode Island's median household income and more than twice Rhode Island's median renter household income (\$32,043); nearly three times the annual income of a full-time minimum wage worker currently earning \$10.50/hour (approximately \$21,838).

The National Network to End Domestic Violence conducts a point-in-time count for all participating domestic violence Coalitions every year. On September 12, 2019, of the 111 unmet requests for services on this day in RI, 70% (78) were for housing and emergency shelter, due to a lack of resources to meet victim needs and the broader effects of the affordable housing crisis. "Callers are often frustrated when they discover there is no room for them in our shelter. We ask them to keep trying, and provide any services we can in the meantime. Sometimes it helps when callers know they are being heard and that we are taking their concerns seriously. Nevertheless, it is extremely disheartening for them to be told, 'I'm sorry, we have no room.'" — Domestic violence advocate from one of our RI member agencies

This misalignment between wages and housing costs is a significant contributing factor to our state's current housing challenges. We have also not kept up with creating adequate supply. Residential building permits have decreased over the last 20 years; in fact, annual permits dropped by half between 2005 and 2018. An estimated 500 plus homes are lost each year to demolition or deterioration, and we are not building diverse types of residences to meet changing demographic needs, such as our growing elder population, young workers, or families.

Rhode Island desperately needs sustained investments to create and preserve safe, healthy and affordable homes for Rhode Islanders. Years of underinvesting have left us far behind our New England neighbors, who have recognized that housing is a critical economic development issue and an important social determinant of health and community wellbeing. Rhode Island is investing only about one-fifth of what CT and MA do per capita, even with funding from previous housing bonds.

Although funding from previous housing bonds has been vital to creating and preserving additional long-term affordable homes, the fact remains that these funds are temporary. An additional, dedicated source of funding is necessary to produce housing on the scale needed in Rhode Island. The proposed method to generate this new revenue appears to be a sound pathway to achieving this goal, and is the most common revenue tool used nationally and in the Northeast. It is worth noting that Rhode Island is the only state in the Northeast (including NJ, NY and PA) without a dedicated funding stream that supports housing production.

As we express our support for the establishment of a dedicated and predictable funding stream for housing, we are hopeful that the Administration and General Assembly will consider the urgency and importance of targeting funds to low and moderate-income households for creation and preservation of long-term affordable homes. Investments directed to low-income households ensure that:

1. Funds are going where there is the most urgent need, as over 70% of low-income households are cost-burdened;

2. There is greatest potential for impact, including cost-savings related to healthcare, and economic stability for workers and employers alike.

We believe that Rhode Island can and should be a state where all residents are able to live in safe, healthy and affordable homes in thriving communities, and reiterate our support for Article 16 (Section 6), H 5687 sponsored by Rep, Speakman, and H 5456 sponsored by Rep. Slater.

We appreciate that housing has emerged as a priority this session and thank the Committee and Legislature for their careful attention to these proposals that have the potential to impact Rhode Islanders. Please feel free to contact us with any questions.